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USDOC FOR 532/OEA/MNICKSON/ADYSON
USDOC FOR 3132 FOR FCS/OIO REGIONAL DIRECTOR PATRICK SANTILLO
BICE FOR OFFICE OF STRATEGIC INVESTIGATIONS

SIPDIS

E.O. 12958: N/A
TAGS: [BMGT](#) [BEXP](#) [HK](#) [ETRD](#) [ETTC](#)
SUBJECT: EXTRANCHECK: POST SHIPMENT VERIFICATION: WT
MICROELECTRONICS CO., LTD

REF: A) USDOC 00130

11. Unauthorized disclosure of the information provided below is prohibited by Section 12C of the Export Administration Act.

12. As per reftel A request and at the direction of the Office of Enforcement Analysis (OEA) of the USDOC Bureau of Industry and Security (BIS), Export Control Officer Philip Ankel (ECO) conducted a post shipment-verification (PSV) at WT Microelectronics Co., Ltd., 9/F Shield Industrial Center 8, Hong Kong (WT). The item in question for this PSV is one C-DDS synthesizer evaluation board exported to WT on or about May 8, 2008. On the applicable shippers export declaration (SED), the item is classified as EAR99, meaning that, if properly classified, it could be exported/reexported license free to virtually all destinations and end-users worldwide. Internal documentation from the exporter states that the item in question is classified under export control classification number (ECCN) 3A002. This ECCN is one of a group of ECCNs that do not require a license for export/reexport to Hong Kong but may require a license to mainland China. The exporter was Analog Devices of Norwood, Massachusetts.

13. According to the Hong Kong Companies Registry, WT has been in existence since 1998. Its paid up share capital is the Hong Kong equivalent of USD 100 million. The Hong Kong Companies Registry lists several Taiwanese nationals as directors.

14. A review of the WT's web site (www.wtmec.com) reveals that WT specializes in the distribution of electronic components. It is a Taiwan based company with offices throughout the Asia Pacific region.

15. On February 23, 2009, ECO visited the company at the address noted above and met with Kevin Lau, Associate Manager. He stated that the Hong Kong operation of the company operates primarily as a warehouse and back-office support operation for the company's operations. WT does not have local, Hong Kong, customers. Mr. Lau stated that WT applies for Hong Kong export licenses when their suppliers tell them that the items in question may be subject to control. Mr. Lau also stated that, from time to time, he checks the Hong Kong Trade and Industry (TID) Department web site that lists items subject to Hong Kong strategic trade control. Mr. Lau stressed that the company complies with applicable export control rules and obtains licenses where required. In this particular instance, Mr. Lau stated that he checked the TID web site and determined that the item does not require a license for export from Hong Kong (Note: if correct, this would mean that it is unlikely that this item would require a U.S. export license for export/reexport to mainland China).

16. Mr. Lau stated that the customer for this item was Beijing Joinsemi. He stated that this company is also an electronics reseller (www.joinsemi.com). Mr. Lau stated that he believed the end-user of the item was an observatory in China but was not sure of

the exact name. By subsequent e-mail, Mr. Lau stated that he had received information from Joinsemi, namely that the end-user was a graduate student working at the Yunnan Astronomical Observatory Chinese Academy of Science. That student was using the item to conduct certain tests.

¶7. ECO recommends that BIS review the underlying documentation of this transaction (as well as the technical specifications of the item) to determine whether a license was required for shipment of this item to mainland China. Based on the facts in hand, ECO believes WT to be a reputable recipient of U.S. origin technology (as reseller).